

Message Text

PAGE 01 THE HA 03392 01 OF 03 071416Z

53

ACTION EB-07

INFO OCT-01 EUR-12 EA-10 ISO-00 SP-02 AID-05 NSC-05

CIEP-02 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 L-03 H-02

PA-02 PRS-01 USIA-15 CIAE-00 COME-00 FRB-01 INR-07

NSAE-00 XMB-04 OPIC-06 LAB-04 SIL-01 FEAE-00 INT-05

/116 W

----- 075871

R 071305Z JUL 75

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC 6221

INFO /AMEMBASSY BERN 671

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY CANBERRA

AMEMBASSY LONDON

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY STOCKHOM

AMEMBASSY TOKYO

USMISSION EC BRUSSELS

USMISSION OECD PARIS

UNCLAS SECTION 1 OF 3 THE HAGUE 3392

E.O. 11652: N/A

TAGS: EINV, XG, NL

SUBJECT: FOREIGN INVESTMENT STUDY ACT OF 1974:

FOREIGN DIRECT INVESTMENT IN THE NETHERLANDS

REF: STATE 107242; HAGUE 3314, 2038, 0452, A-109 (ALL 1975)

1. SUMMARY:

THE NETHERLANDS' POLICY TOWARD INWARD FOREIGN DIRECT
UNCLASSIFIED

PAGE 02 THE HA 03392 01 OF 03 071416Z

INVESTMENTS IS OPEN AND NON-DISCRIMINATORY, A POLICY
THAT WAS PUBLICLY REITERATED SEVERAL WEEKS AGO BY THE
MINISTER OF ECONOMIC AFFAIRS. PRECISE FIGURES ARE
UNAVAILABLE ON THE LEVEL OF FOREIGN INVESTMENT ALREADY

PRESENT, BUT IT IS EXTENSIVE, PARTICULARLY IN THE MANUFACTURING AND PROCESSING SECTORS. WHERE RESTRICTIONS ON OR INCENTIVES FOR DIRECT INVESTMENT DO EXIST, THESE GENERALLY APPLY EQUALLY TO DOMESTIC AS WELL AS FOREIGN INVESTORS. ALTHOUGH THERE IS LITTLE EVIDENCE OF OPEC INTEREST IN ACQUIRING DUTCH ENTERPRISES, THE POSSIBILITY OF SUCH INTEREST DEVELOPING AND THE IMPLICATIONS ARISING THEREFROM HAVE NOT FAILED TO CAUSE ANXIETY IN SOME QUARTERS, PARTICULARLY FOLLOWING THE SUCCESSFUL BIDS BY OPEC INVESTORS FOR SHARES IN PRESTIGIOUS GERMAN CONCERNS (BONN 18624, 1974). NEVERTHELESS, THE GOVERNMENT APPEARS TO HAVE CONCLUDED THAT SPECIAL MEASURES TO COPE WITH THAT EVENTUALITY ARE NOT NECESSARY. BECAUSE OF THE OPENNESS OF THE DUTCH ECONOMY AND ITS CONSEQUENT VULNERABILITY TO TRENDS IN THE ECONOMIES OF ITS MAJOR TRADING PARTNERS, CERTAIN EXCHANGE CONTROLS HAVE BEEN DEVELOPED, PARTICULARLY SINCE 1970, TO PROTECT DOMESTIC CAPITAL MARKETS FROM SPECULATIVE FORCES. IN THIS CONTEXT, INWARD DIRECT INVESTMENT BY NON-RESIDENTS IS SUBJECT TO CENTRAL BANK AUTHORIZATION, WHICH AUTHORIZATION, HOWEVER, IS GRANTED AUTOMATICALLY ONCE THE BONA FIDES OF THE INVESTMENT HAS BEEN VERIFIED. END SUMMARY.

2. GENERAL POLICY: THE GENERAL POLICY OF THE NETHERLANDS TOWARDS FOREIGN DIRECT INVESTMENT CAN ONLY BE DESCRIBED AS OPEN, LIBERAL, AND NON-DISCRIMINATORY. FOR A COUNTRY WHOSE ECONOMY IS SO INTIMATELY LINKED TO THOSE OF ITS MAJOR TRADING PARTNERS, PARTICULARLY GERMANY'S, INWARD FOREIGN INVESTMENT FLOWS ARE PERCEIVED FIRST IN TERMS OF THEIR MACROECONOMIC IMPACT, AND PARTICULARLY THEIR EFFECTS ON THE INTEREST RATE STRUCTURE. EVEN MINOR SHIFTS IN THE LATTER AS COMPARED TO GERMANY'S COULD, UNLESS ADEQUATE SAFEGUARDS ARE TAKEN, SWAMP OR DRAIN THE DUTCH CAPITAL MARKET OF FUNDS, DEPENDING ON DIRECTION OF THE SHIFT. INASMUCH AS FOREIGN INVESTMENTS POSE, IN THE FIRST INSTANCE, MONETARY RATHER THAN OTHER PROBLEMS, COPING WITH FOREIGN INVESTMENT FLOWS HAS BEEN A QUESTION OF DEVELOPING ADEQUATE UNCLASSIFIED

PAGE 03 THE HA 03392 01 OF 03 071416Z

FINANCIAL INSTRUMENTS TO PRESERVE THE STABILITY OF THE DOMESTIC FINANCIAL MARKETS, IE, CONTROL OF INTERNAL LIQUIDITY AND ASSURING AVAILABILITY OF SAVINGS FOR DOMESTIC NEEDS. FOREIGN INVESTMENTS ARE OTHERWISE GENERALLY REGARDED NEITHER LESS NOR MORE FAVORABLY THAN, AND ARE SUBJECT TO, THE SAME RESTRICTIONS AND INCENTIVES AS, DOMESTIC ONES.

3. LAWS AND REGULATIONS: IN THE COURSE OF THE PRESENT STUDY, WE HAVE IDENTIFIED NO LAWS THAT EXPRESSLY RESTRICT FOREIGN INVESTMENT IN THE NETHERLANDS ON A SECTORAL BASIS. THE BASIC LEGISLATION AFFECTING FOREIGN INVESTMENT FLOWS INTO THE NETHERLANDS IS THE ROYAL (EXCHANGE CONTROL) DECREE

OF OCTOBER 20, 1945 (STAATSBAD F.222), AS AMENDED BY THE ACTS OF JULY 22, 1950, AUGUST 2, 1962, AND NOVEMBER 18, 1964. THE DECREE GRANTS THE GOVERNMENT AUTHORITY TO EXERCISE CONTROL OVER EXCHANGE OPERATIONS; IT IS ADMINISTERED BY THE NETHERLANDS CENTRAL BANK (DE NEDERLANDSCHE BANK) IN THE GOVERNMENT'S BEHALF. THE CENTRAL BANK ISSUES REGULATIONS PURSUANT TO THIS DELEGATION OF AUTHORITY. (A COMPILATION OF THESE REGULATIONS WILL BE TRANSMITTED UNDER SEPARATE COVER; THEY ARE DISCUSSED FURTHER IN PARA 4, BELOW). A DRAFT BILL ON FINANCIAL RELATIONS WITH FOREIGN COUNTRIES TO REPLACE THE ROYAL DECREE OF 1945 AND THE INTERNATIONAL PAYMENTS LAW OF 1934 (THE LATTER GOVERNED THE CLEARING OF PAYMENTS FROM GERMANY AT THAT TIME & IS NOT IN CURRENT USE) WAS PRESENTED TO THE PARLIAMENT IN 1972. THE NETHERLANDS BANK QUARTERLY REPORT NO. 2 OF 1972, AT P. 26, DESCRIBES THE 1972 DRAFT BILL AS PROVIDING FOR A POSITIVE SYSTEM OF FOREIGN EXCHANGE LEGISLATION WHICH TAKES THE PRINCIPLE OF FREEDOM AS A STARTING POINT, BUT PROVIDES FOR THE POSSIBILITY OF INTERVENTION FOR THE PROTECTION OF THE DOMESTIC CAPITAL MARKET, FOR SUPPORTING DOMESTIC FINANCIAL AND MONETARY POLICY, AND FOR THE PROTECTION OF THE COUNTRY'S FOREIGN EXCHANGE RESERVES. HOWEVER, THE UPHEAVALS IN THE INTERNATIONAL EXCHANGE MARKETS THAT FOLLOWED SUBMISSION OF THE BILL MADE ITS ADOPTION INOPPORTUNE. IT IS STILL BEFORE THE PARLIAMENT (DOCUMENT 11, 907), WHICH IS NOT LIKELY TO TAKE ANY ACTION ON IT IN THE ABSENCE OF A GREATER MEASURE OF INTERNATIONAL AGREEMENT ON MONETARY QUESTIONS.

UNCLASSIFIED

PAGE 04 THE HA 03392 01 OF 03 071416Z

UNCLASSIFIED

PAGE 01 THE HA 03392 02 OF 03 071426Z

53

ACTION EB-07

INFO OCT-01 EUR-12 EA-10 ISO-00 SP-02 AID-05 NSC-05

CIEP-02 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 L-03 H-02

PA-02 PRS-01 USIA-15 CIAE-00 COME-00 FRB-01 INR-07

NSAE-00 XMB-04 OPIC-06 LAB-04 SIL-01 FEAE-00 INT-05

/116 W

----- 075970

R 071305Z JUL 75

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC 6222

INFO AMEMBASSY BERN

AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY CANBERRA
AMEMBASSY LONDON
AMEMBASSY OTTAWA
AMEMBASSY PARIS
AMEMBASSY ROME
AMEMBASSY STOCKHOLM
AMEMBASSY TOKYO
USMISSION EC BRUSSELS
USMISSION OECD PARIS

UNCLAS SECTION 2 OF 3 THE HAGUE 3392

4. AT PRESENT, THE FOLLOWING OPERATIONS ARE SUBJECT TO
RESTRICTIVE CONTROL BY THE CENTRAL BANK (IE, REQUIRE
EXPLICIT APPROVAL ON A CASE BY CASE BASIS):
A) OPERATIONS SUBJECT TO RESTRICTIVE CONTROL:
(I) INTRODUCTION ON A NETHERLANDS SECURITY EXCHANGE OF
FOREIGN BONDS DENOMINATED IN GULDERS OR OTHERWISE
LINKED TO THE PARITY OF THE GUILDER.
(II) ISSUE OF NETHERLANDS BONDS ABROAD.
(III) ISSUE IN THE NETHERLANDS OF FOREIGN SHARES WHICH ARE NOT
LISTED IN THEIR COUNTRY OF ORIGIN.
UNCLASSIFIED

PAGE 02 THE HA 03392 02 OF 03 071426Z

(IV) OPERATIONS ON SHORT-TERM SECURITIES DEALT IN ON THE
MONEY MARKET:
- PURCHASE IN THE NETHERLANDS BY NON-RESIDENTS;
- PURCHASE ABROAD BY RESIDENTS OTHER THAN AUTHORIZED
COMMERCIAL BANKS.
(V) COMMERCIAL CREDITS GRANTED BY RESIDENTS TO NON-RESIDENTS,
WHERE NO RESIDENT PARTICIPATES IN THE UNDERLYING
TRANSACTION:
- SHORT-TERM CREDITS, WHERE THE CREDITOR IS NOT AN
AUTHORIZED COMMERCIAL BANK;
- MEDIUM-AND LONG-TERM CREDITS.
(VI) FINANCIAL CREDITS AND LOANS:
A. GRANTED BY NON-RESIDENTS TO RESIDENTS IN EXCESS OF
DFL. 100,000 PER YEAR BETWEEN ANY ONE RESIDENT AND NON-
RESIDENT, WHERE THE DEBTOR IS A RESIDENT OTHER THAN AN
AUTHORIZED COMMERCIAL BANK;
B. GRANTED BY RESIDENTS TO NON-RESIDENTS:
(I) WITH A MATURITY OF MORE THAN ONE YEAR, WHERE THE
RESIDENT CREDITOR IS AN AUTHORIZED COMMERCIAL BANK
AND THE DEBTOR A NON-RESIDENT OTHER THAN A BANK;
(II) IN EXCESS OF DFL. 100,000 PER YEAR BETWEEN ANY ONE
RESIDENT AND NON-RESIDENT, WHERE THE CREDITOR IS
A RESIDENT OTHER THAN AN AUTHORIZED COMMERCIAL BANK.
IN ADDITION, ISSUE OF FOREIGN BONDS ON THE NETHERLANDS
CAPITAL MARKET IS NOT NORMALLY PERMITTED. AT THE SAME TIME
THAT THESE REGULATIONS PERMIT THE CENTRAL BANK TO EXERCISE

CONTROL OVER CAPITAL FLOWS, THEY AFFORD AN OPPORTUNITY TO SCREEN ALL INWARD DIRECT INVESTMENTS, ALTHOUGH THE LATTER IS NOT THE LEGAL INTENT OF THE FOREIGN EXCHANGE DECREE.

5. WHILE INWARD DIRECT INVESTMENTS BY NON-RESIDENTS REQUIRE CENTRAL BANK AUTHORIZATION BEFORE THEY MAY BE EFFECTED, THE BANK'S APPROVAL IS AUTOMATIC ONCE THE AUTHENTICITY OF THE PROPOSED INVESTMENT HAS BEEN VERIFIED. THAT IS, ONCE THE BANK IS SATISFIED THAT THE TRANSACTION DOES INDEED INVOLVE A DIRECT INVESTMENT (CAPITAL PARTICIPATION OR LONG-TERM CREDIT), APPROVAL OF THE TRANSACTION IS AUTOMATIC IRRESPECTIVE OF THE ECONOMIC MERITS OF THE VENTURE.

6. STRUCTURE OF NETHERLANDS COMPANIES, ROLE OF GOVERNMENT, UNCLASSIFIED

PAGE 03 THE HA 03392 02 OF 03 071426Z

WORKS COUNCILS, AND THE OLIGARCHIC CLAUSE: SOME OF THE LARGEST EUROPEAN MULTINATIONALS ARE RESIDENT IN THE NETHERLANDS (EG, ROYAL DUTCH/SHELL, PHILIPS, UNILEVER, (AKZO). SOME OF THESE AND OTHER LARGE DUTCH CORPORATIONS, WHILE TECHNICALLY OPEN TO CAPITAL PARTICIPATION BY FOREIGN INVESTORS, HAVE A PECULAIR CORPORATE STRUCTURE, PERMITTED UNDER DUTCH COMMERCIAL LAW, WHICH RENDERS THEM VIRTUALLY IMMUNE FROM ANY BUT COMPLETE TAKEOVER BIDS. BY VIRTUE OF THE SO-CALLED "OLIGARCHIC CLAUSE" (SECTION 48A OF THE DUTCH COMMERCIAL CODE) A DUTCH CORPORATION CAN CHOOSE TO PROVIDE IN ITS CHARTER THAT NOMINATIONS AND APPOINTMENTS TO THE BOARD OF DIRECTORS AND TO THE EXECUTIVE BOARD BE DECIDED BY THE BOARD OF DIRECTORS ITSELF, WITH A VOTE OF AT LEAST TWO-THIRDS OF ALL INDIVIDUAL SHAREHOLDERS, REPRESENTING AT LEAST SEVEN PERCENT OF ISSUED SHARES, NECESSARY TO OVERRULE THE BOARD OF DIRECTORS. TO TAKE OVER EFFECTIVELY A COMPANY LIKE PHILIPS (WHICH HAS SUCH AN OLIGARCHIC STRUCTURE) IT WOULD NOT SUFFICE TO HAVE A SUBSTANTIAL BLOCK OF SHARES OR EVEN A MAJORITY POSITION, INASMUCH AS ONE THIRD OF ALL OTHER SHAREHOLDERS, REGARDLESS OF PERCENTAGE OWNERSHIP REPRESENTED BY THE LATTER, COULD BLOCK ANY ACTION.

7. THE ROLE OF WORKS COUNCILS EXERCISES AN IMPORTANT INFLUENCE OVER COMPANY POLICY. THE WORKS COUNCILS LAW ("WET OP DE ONDERNEMINGSRADEN") OF 1971 REQUIRES THAT EACH FIRM WITH 100 OR MORE EMPLOYEES ESTABLISH A WORKS COUNCIL, AN ORGAN WHERE MANAGEMENT CAN CONSULT WITH LABOR ON QUESTIONS OF COMPANY POLICY. AMONG THE QUESTIONS ON WHICH MANAGEMENT IS NORMALLY OBLIGATED TO CONSULT THE WORKS COUNCIL ARE SALE OR MERGER OF THE FIRM OR SIGNIFICANT CHANGES IN ITS ORGANIZATION OR SIZE. THE COUNCILS' VIEWS, ALTHOUGH NOT BINDING ON MANAGEMENT, ARE NOT, HOWEVER, LIGHTLY DISREGARDED.

UNCLASSIFIED

PAGE 01 THE HA 03392 03 OF 03 071458Z

53

ACTION EB-07

INFO OCT-01 EUR-12 EA-10 ISO-00 SP-02 AID-05 NSC-05

CIEP-02 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 L-03 H-02

PA-02 PRS-01 USIA-15 CIAE-00 COME-00 FRB-01 INR-07

NSAE-00 XMB-04 OPIC-06 LAB-04 SIL-01 FEAE-00 INT-05

/116 W

----- 076247

R 071305Z JUL 75

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC 6223

INFO AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY CANBERRA

AMEMBASSY LONDON

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

USMISSION EC BRUSSELS

USMISSION OECD PARIS

UNCLAS SECTION 3 OF 3 THE HAGUE 3392

8. OTHER LARGE DUTCH CONCERNS ARE RELATIVELY SAFE FROM POSSIBLE FOREIGN BUDS BY VIRTUE OF THE GOVERNMENT'S POSITION AS A SHAREHOLDER (EG. KLM AIRLINES, DUTCH STATE MINES).

9. INVESTMENT INCENTIVES, DISINCENTIVES:

INDUSTRIAL INVESTMENT IN THE NETHERLANDS IS CONCENTRATED IN THE WESTERN PART OF THE COUNTRY, PARTICULARLY IN THE AREA KNOWN AS THE "RANDSTAD" (RING CITY), THE URBAN AGGLOMERATION FORMED BY THE CITIES OF AMSTERDAM, UTRECHT, UNCLASSIFIED

PAGE 02 THE HA 03392 03 OF 03 071458Z

ROTTERDAM AND THE HAGUE. THE RHINE ESTUARY AREA (RIJNMOND), WHERE ROTTERDAM AND ITS MAMMOTH PART ARE LOCATED, HAS A PARTICULARLY HIGH CONCENTRATION OF INDUSTRY. SPECIAL

REGULATIONS TO DISCOURAGE INVESTMENTS IN THESE AREAS FOR ENVIRONMENTAL REASONS HAVE RECENTLY BEEN ADOPTED (SEE HAGUE A-109 AND PREVIOUS) AND WILL GO INTO EFFECT OCT. 1, 1975. IN OTHER PARTS OF THE COUNTRY, PARTICULARLY THE NORTHERN AREA AROUND GRONINGEN AND THE SOUTHERN PROVINCE OF LIMBURG, WHICH SUFFER FROM CHRONIC LACK OF INVESTMENT, THERE ARE ACTIVE GOVERNMENT PROGRAMS AIMED AT ENCOURAGING DIRECT INVESTMENT (SEE HAGUE 2838). FOREIGN INVESTORS ARE SUBJECT TO THE SAME RESTRICTIONS IN THE RANDSTAD AND ARE ELIGIBLE FOR THE SAME BENEFITS IN THE "DEVELOPMENTS" AREAS AS ARE DOMESTIC INVESTORS.

10. THERE IS, IN FACT, ONE AREA WHERE FOREIGN INVESTORS ENJOY AN ADVANTAGE NOT AVAILABLE TO RESIDENTS. NON-DUTCH PERSONNEL OF FOREIGN SUBSIDIARIES IN THE NETHERLANDS WHO ARE OF MANAGERIAL RANK (BUT WHO ARE NOT THEMSELVES MAJOR STOCKHOLDERS IN THE FIRM) AND WHO HAVE BEEN TRANSFERRED TO THE NETHERLANDS BY THEIR COMPANY HEADQUARTERS FOR A PERIOD NOT EXCEEDING FIVE YEARS, ARE GRANTED A SPECIAL EXEMPTION FROM DOMESTIC INCOME TAX, CURRENTLY EQUAL TO 35 PERCENT OF THEIR GROSS SALARY. (SOURCES AT THE MINISTRY OF ECONOMIC AFFAIRS AND THE MINISTRY OF FINANCE HAVE ADVISED US THAT THIS EXEMPTION IS NOT BASED ON LAW, BUT ON INTERNAL POLICY. THE POLICY DIRECTIVE PROVIDING FOR IT IS NOT PUBLISHED ACCORDING TO THOSE SOURCES).

11. A FORMIDABLE HURDLE TO NEW FOREIGN INVESTMENT EXISTS IN THE FORM OF THE BYZANTINE STRUCTURE OF LOCAL REQUIREMENTS FOR OBTAINING OPERATING LICENSES FOR INDUSTRIAL ESTABLISHMENTS IN CERTAIN LOCATIONS. FOR EXAMPLE, ACCORDING TO SOURCES AT THE LARGEST EMPLOYERS ORGANIZATION IN THE NETHERLANDS, VNO, NO FEWER THAN 84 SEPARATE LOCAL APPROVALS AND LICENSSES MUST BE OBTAINED FOR ESTABLISHING A PETROCHEMICAL PLANT IN THE RIJNMOND. THE SUBSIDIARY OF AN AMERICAN CHEMICAL FIRM LOCATED IN THE SAME AREA HAS INFORMED US THAT THEY WERE RECENTLY OBLIGED TO MAKE THEIR INVESTMENT PLANS, INCLUDING PLANT AND PROCESS PLANS, AVAILABLE FOR PUBLIC INSPECTION BY INTERESTED RESIDENTS

UNCLASSIFIED

PAGE 03 THE HA 03392 03 OF 03 071458Z

OF 23 MUNICIPALITIES IN THE AREA BEFORE AN OPERATING PERMIT COULD BE OBTAINED FROM LOCAL AUTHORITIES, DUTCH INVESTORS ARE NOT, HOWEVER, EXEMPT FROM ANY OF THOSE PROCEDURES.

12. OPEC INVESTMENT: TO DATE THERE IS LITTLE EVIDENCE OF OPEC INTEREST IN DIRECT INVESTMENTS IN THE NETHERLANDS, ALTHOUGH SOME SHORT-TERM FUNDS SEEM TO BE FLOWING IN. RUMORED SAUDI INTEREST IN ESTABLISHING A PETROCHEMICAL PLANT IN DELFZIJL, IN THE NORTHEAST, ABOUT A YEAR AGO HAS SUBSIDED AND ANY PLANS THE SAUDIS MAY HAVE HAD APPEAR TO HAVE BEEN ABANDONED. IMMEDIATELY ON THE HEELS OF THE

RECENT SUCCESSFUL OPEC BIDS FOR SHARES IN WELL-KNOWN GERMAN FIRMS (KRUPP AND DAIMLER) THERE WAS A FLURRY OF PRESS INTEREST IN THE SUBJECT OF POSSIBLE BIDS FOR DUTCH INDUSTRY. AN OCCASIONAL MEMBER OF PARLIAMENT HAS VOICES CONCERN AND THE GOVERNMENT HAS PRIVATELY CONSULTED WITH INDUSTRY ON THE "PROBLEM". THE GOVERNMENT WAS AT ONE POINT CONSIDERING PROPOSING MEASURES TO PREVENT POSSIBLE UNWANTED OPEC BIDS (SEE HAGUE 0452), BUT THAT EXERCISE SEEMS TO HAVE BEEN PUT IN ABEYANCE.

1. WHILE THE ISSUE IS BY NO MEANS DORMANT (ALTHOUGH IT IS IN THE BACKGROUND), THE GOVERNMENT APPEARS TO HAVE OPTED FOR MAINTAINING THE STATUS QUO WITH REGARD TO INVESTMENT CONTROLS. THE ARRAY OF "CONTROLS" ALREADY AVAILABLE - THE CENTRAL BANK LICENSING MECHANISM, THE DUTCH COMMERCIAL CODE, THE MYRIAD CENTRAL GOVERNMENT LOCAL AUTHORITY REGULATIONS OF VARIOUS SORTS, THE INTIMACY BETWEEN GOVERNMENT AND INDUSTRY IN MANY SECTORS (TRANSPORT, ENERGY, SERVICES) - IS CONSIDERED ADEQUATE TO PROVIDE THE NECESSARY SAFEGUARDS AGAINST UNWANTED FOREIGN CAPITAL, INCLUDING INWARD DIRECT INVESTMENTS.

14. COPIES OF RELEVANT DOCUMENTS WILL BE POUCHED UNDER SEPARATE COVER.
GOULD

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 26 AUG 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, INVESTMENT LAW, FOREIGN INVESTMENT CONTROLS, INVESTMENT PROGRAMS
Control Number: n/a
Copy: SINGLE
Draft Date: 07 JUL 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975THEHA03392
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: D750233-1083
From: THE HAGUE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t197507103/baaaafcl.tel
Line Count: 406
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 8
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 18 MAR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <18 MAR 2003 by ThomasVJ>; APPROVED <22 MAR 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: n/a
TAGS: EINV, XG, NL
To: STATE INFO BERN
BONN
BRUSSELS
CANBERRA
LONDON
OTTAWA

PARIS
ROME
AMEMBASTY STOCKHOM
TOKYO
EC BRUSSELS
OECD PARIS

Type: TE

Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006